United States v. Arthrex Inc.

One Company's Fight with the PTAB by
Ronald Chichester







(12) United States Patent Dreyfuss et al.

(10) Patent No.: US 8,821,541 B2 (45) Date of Patent: Sep. 2, 2014

- (54) SUTURE ANCHOR WITH INSERT-MOLDED RIGID MEMBER
- (75) Inventors: Peter J. Dreyfuss, Naples, FL (US);

William C. Benavitz, Naples, FL (US)

- (73) Assignee: Arthrex, Inc., Naples, FL (US)
- (*) Notice: Subject to any disclaimer, the term of this

patent is extended or adjusted under 35 U.S.C. 154(b) by 1023 days.

- Appl. No.: 11/518,872
- (22) Filed: Sep. 12, 2006

(65) Prior Publication Data

US 2007/0073299 A1 Mar. 29, 2007

(58) Field of Classification Search

USPC 606/232, 72–74; 411/320, 142, 199, 411/216, 356, 357, 76, 350, 555 See application file for complete search history.

(56) References Cited

U.S. PATENT DOCUMENTS

1,610,309 A 12/1926 Niederer 1,925,174 A 9/1933 Cremean

(Continued)

FOREIGN PATENT DOCUMENTS

CA 2045903 6/1991 EP 0951869 A1 10/1999

(Continued)

Related U.S. Application Data



SmithNephew

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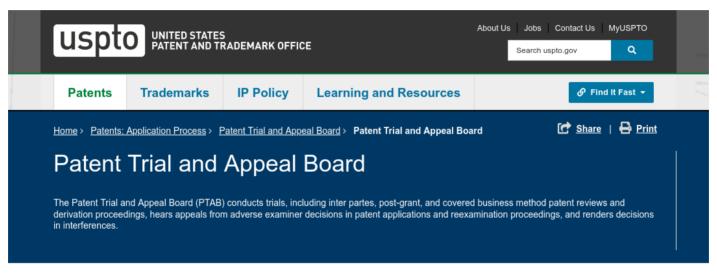
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(Continued)

Related U.S. Application Data

Inter Partes Review

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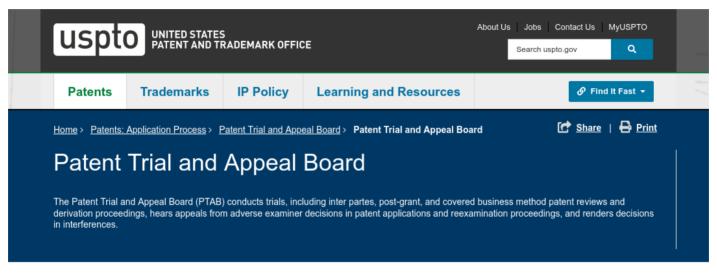








Inter Partes Review













SmithNephew

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See application . for complete see th history.

(56) Refer Cited

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(Continued)

FOREIGN PATENT DOCUMENTS

CA 2045903 6/1991 EP 0951869 A1 10/1999

(Continued)

Related U.S. Application Data







Filed a Preliminary Response





- Filed a Preliminary Response
 - Disclaimed claims 1-9





- Filed a Preliminary Response
 - Disclaimed claims 1-9
 - Cited 37 C.F.R. § 42.73(b)



37 C.F.R. § 42.73(b)

- A party may request judgment against itself at any time during a proceeding. Actions construed to be a request for adverse judgment include:
 - (1) Disclaimer of the involved application or patent;
 - (2) Cancellation or disclaimer of a claim such that the party has no remaining claim in the trial;
 - (3) Concession of unpatentability or derivation of the contested subject matter; and
 - (4) Abandonment of the contest.



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- Filed a Preliminary Response
 - Disclaimed claims 1-9
 - Cited 37 C.F.R. § 42.73(b)
 - "[b]y filing the statutory disclaimer, Arthrex, Inc. is not requesting an adverse judgment." J.A. 17.





 Shortly thereafter, the Board stated that the disclaimer was a de-facto request for an adverse judgment, and granted a judgment to that effect.





 The problem for Arthrex was that the adverse judgment had an estopple effect attached, which affected two continuation applications (since issued) and another pending continuation application





- The problem for Arthrex was that the adverse judgment had an estopple effect attached, which affected two continuation applications (since issued) and another pending continuation application
- Arthrex appealed





Arthrax I





- Arthrax I
 - The adverse judgment was appealable





Arthrax I

- The adverse judgment was appealable
- The Board's interpretation of the regulation was consistent with the language of Rule 42



Arthrax I

- The adverse judgment was appealable
- The Board's interpretation of the regulation was consistent with the language of Rule 42
- The CAFC did *not* need to address whether the regulation was authorized by statute and, if so, whether it was properly promulgated



New Case

New Case



SmithNephew

New Case



SmithNephew

(12) United States Patent ElAttrache et al.

(10) Patent No.:

US 9,179,907 B2

(45) Date of Patent:

*Nov. 10, 2015

(54) KNOTLESS GRAFT FIXATION ASSEMBLY

(71) Applicant: Arthrex, Inc., Naples, FL (US)

(72) Inventors: Neal S. ElAttrache, Los Angeles, CA

(US); Stephen S. Burkhart, San Antonio, TX (US); Peter J. Dreyfuss,

Naples, FL (US)

(73) Assignee: Arthrex, Inc., Naples, FL (US)

(*) Notice: Subject to any disclaimer, the term of this patent is extended or adjusted under 35

U.S.C. 154(b) by 0 days.

This patent is subject to a terminal dis-

2017/044 (2013.01); A61B 2017/045 (2013.01); A61B 2017/0409 (2013.01); A61B 2017/0414 (2013.01); A61B 2017/0445 (2013.01);

(Continued)

58) Field of Classification Search

(56) References Cited

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Now on review of claims 10 and 11



- Now on review of claims 10 and 11
- PTAB ruled claims 10 and 11 invalid (obvious)



- Now on review of claims 10 and 11
- PTAB ruled claims 10 and 11 invalid (obvious)
 - In doing so, they used different language than Smith & Nephew





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 The PTAB's minor wording change did not violate the Administrative Procedural Act, and so Arthrax was not harmed

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- The PTAB's claim construction was supported by substantial evidence, and so the result was correct

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- The PTAB's minor wording change did not violate the Administrative Procedural Act, and so Arthrax was not harmed
- The PTAB's claim construction was supported by substantial evidence, and so the result was correct
- Arthrex did not articulate a "cognizable constitutional challenge to IPR for its patent"



• The PTAB then wrote a final written decision holding that claims 1, 4, 8, 10-11, 16, 18, and 25-28 (of the '907 patent) were anticipated





 Arthrex appealed, arguing that the that the appointment of the Board's Administrative Patent Judges ("APJs") by the Secretary of Commerce, as currently set forth in Title 35, violates the Appointments Clause, U.S. Const., art. II, § 2, cl. 2.





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 The CAFC agreed with Arthrex about the constitutional claim, however...





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- The CAFC cured the problem by "severing the portion of the Patent Act [5 U.S.C. § 7513(a)] restricting removal of the APJs is sufficient to render the APJs inferior officers and remedy the constitutional appointment problem."



- The CAFC agreed with Arthrex about the constitutional claim, however...
- The CAFC cured the problem by "severing the portion of the Patent Act [5 U.S.C. § 7513(a)] restricting removal of the APJs is sufficient to render the APJs inferior officers and remedy the constitutional appointment problem."
 - Now PTAB judges could be removed without cause





 The CAFC raised a unique set of constitutional due process concerns





- The CAFC raised a unique set of constitutional due process concerns
- The CAFC severing 5 U.S.C. § 7513(a) only made things worse for patent owners in IPR and other proceedings





SUPREME COURT OF THE UNITED STATES

The Questions

• (1) Whether, for purposes of the Constitution's appointments clause, administrative patent judges of the U.S. Patent and Trademark Office are principal officers who must be appointed by the president with the Senate's advice and consent, or "inferior Officers" whose appointment Congress has permissibly vested in a department head; and

The Questions

- (1) Whether, for purposes of the Constitution's appointments clause, administrative patent judges of the U.S. Patent and Trademark Office are principal officers who must be appointed by the president with the Senate's advice and consent, or "inferior Officers" whose appointment Congress has permissibly vested in a department head; and
- (2) whether, if administrative patent judges are principal officers, the court of appeals properly cured any appointments clause defect in the current statutory scheme prospectively by severing the application of 5 U.S.C. § 7513(a) to those judges.